

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO. 2011-00043
FILING OF NEBO WATER DISTRICT)

O R D E R

On February 7, 2011, Nebo Water District (“Nebo”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

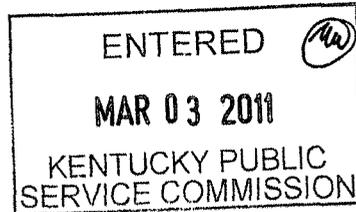
1. Nebo purchases water from the City of Madisonville (“Madisonville”).
2. Madisonville notified Nebo that, effective with its March 1, 2011 billing, Madisonville’s wholesale water rate to Nebo would increase from \$3.79 per 1,000 gallons to \$3.95 per 1,000 gallons. Nebo proposes to increase the water rates to its customers effective March 1, 2011.
3. During the 12 months ending December 31, 2010, Nebo purchased 148,659,000 gallons of water and sold 125,397,000 gallons. The increase in the cost of purchased water is \$23,785.44, resulting in a purchased water adjustment of \$0.19 per 1,000 gallons.
4. The purchased water adjustment of \$0.19 per 1,000 gallons is fair, just, and reasonable and should be approved.

¹ KRS 278.015; 807 KAR 5:068.

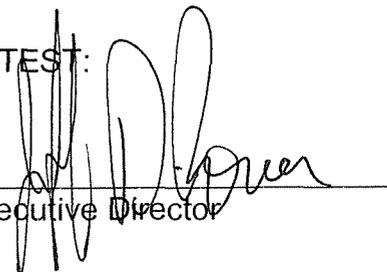
IT IS THEREFORE ORDERED that:

1. The rates proposed by Nebo are accepted.
2. The purchased water adjustment of \$0.19 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable for service on or after March 1, 2011.
4. The tariff sheets filed by Nebo are approved as filed.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2011-00043 DATED **MAR 03 2011**

	New Rate	Base Rate	
Nebo Water			
Purchases in gallons	148,659,000	148,659,000	
Volumetric rate	<u>\$ 3.95/1,000</u>	<u>\$ 3.79/1,000</u>	
	\$587,203.05	\$ 563,417.61	
		Increased water cost	\$23,785.44
Increased water cost		\$ 23,785.44	
Divided by gallons sold		<u>125,397,000</u>	
Purchased water adjustment factor		\$0.19 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00043 DATED **MAR 03 2011**

The following rates and charges are prescribed for the customers in the area served by Nebo Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" X 3/4" Meter

First	2,000	gallons	\$	19.39	Minimum Bill
Next	2,000	gallons		7.90	per 1,000 gallons
Next	6,000	gallons		7.45	per 1,000 gallons
Next	10,000	gallons		7.02	per 1,000 gallons
Over	20,000	gallons		6.57	per 1,000 gallons

1" Meter

First	4,000	gallons	\$	35.19	Minimum Bill
Next	6,000	gallons		7.45	per 1,000 gallons
Next	10,000	gallons		7.02	per 1,000 gallons
Over	20,000	gallons		6.57	per 1,000 gallons

1 1/2" Meter

First	10,000	gallons	\$	79.89	Minimum Bill
Next	10,000	gallons		7.02	per 1,000 gallons
Over	20,000	gallons		6.57	per 1,000 gallons

2" Meter

First	20,000	gallons	\$	150.09	Minimum Bill
Over	20,000	gallons		6.57	per 1,000 gallons

3" Meter

First	30,000	gallons	\$	215.79	Minimum Bill
Over	30,000	gallons		6.57	per 1,000 gallons

4" Meter

First	50,000	gallons	\$	347.19	Minimum Bill
Over	50,000	gallons		6.57	per 1,000 gallons

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